

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
MILWAUKEE DIVISION**

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,

Plaintiff,

vs.

CHARLES T. LAWRENCE, JR.

Defendant,

and

LANDES PRIVE, LLC, LANDES AND
COMPAGNIE TRUST PRIVE aka LANDES
AND COMPAGNIE TRST PRIVE
KB, HEKYEAH, LLC, JUSTIN D. SMITH,
and BRENDA M. BISNER,

Relief Defendants.

Case No. 23-cv-550-pp

Chief Judge Hon. Pamela Pepper

**STATUS REPORT SUBMITTED BY PLAINTIFF
UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Plaintiff United States Securities and Exchange Commission (“SEC”) provides the Court with a status report regarding Defendant Charles T. Lawrence, Jr. (“Lawrence”), and Relief Defendants Landes Prive, LLC (“Landes Prive”), Landes and Compagnie Trust Prive AKA Landes and Compagnie Trst Prive KB (“Landes KB”), HekYeah, LLC (“HekYeah”), Justin D. Smith (“Smith”), and Brenda M. Bisner (“Bisner”) in advance of the preliminary injunction hearing scheduled for June 14, 2023.

On May 4, 2023, the Court entered an Order Granting (with Modifications) Plaintiff’s *Ex Parte* Emergency Motion for a Temporary Restraining Order, and Plaintiff’s Emergency Motion

for Ancillary Relief (“Temporary Restraining Order”). (Dkt. No. 12.) The same day, the Court also entered an Order Granting (with Modifications) *Ex Parte* Emergency Motion for Asset Freeze Order and Denying without Prejudice Motion for a Repatriation Order (“Asset Freeze Order”) (Dkt. No. 13) relating to the Defendant, Lawrence, and the Relief Defendants, Landes Prive, Landes KB, HekYeah, Smith, and Bisner.

On May 12, 2023, the Court held a telephonic status hearing in response to Lawrence’s request to adjourn the preliminary injunction hearing initially set for May 15, 2023. (Dkt. Nos. 26, 31.) At that hearing, the parties agreed to extend the Temporary Restraining Order to June 14, 2023. (Dkt. No. 31 at 3.) The Court also adjourned the preliminary injunction hearing until June 14, 2023 at 9:30 a.m. (*Id.*)

The Temporary Restraining Order and the Asset Freeze Order imposed certain obligations on Defendant Lawrence and the Relief Defendants. The status of the parties’ compliance with these Orders is addressed below.

A. Defendant Charles T. Lawrence, Jr.

No attorney has entered an appearance on behalf of Lawrence, or contacted the SEC on Lawrence’s behalf. As reflected in the table below, with one exception, Lawrence has to date failed to comply with the obligations and deadlines imposed by the Court.

<u>OBLIGATION</u>	<u>SOURCE</u>	<u>DEADLINE</u>	<u>STATUS</u>
Identify and Disclose Accounts	Asset Freeze Order (Dkt. No. 13 at 9)	May 5, 2023	Lawrence has not identified any accounts to the SEC.
Produce Documents and Answer Interrogatories	Temporary Restraining Order (Dkt. No. 12 at 8)	May 10, 2023	Lawrence has not responded to the document requests and interrogatories the SEC emailed to him on May 5, 2023, or responded to follow-up emails concerning discovery sent on

<u>OBLIGATION</u>	<u>SOURCE</u>	<u>DEADLINE</u>	<u>STATUS</u>
			May 24, 2023 and June 2, 2023.
File Answer to Complaint	Temporary Restraining Order (Dkt. No. 12 at 9)	May 11, 2023	Lawrence has not filed an Answer to the Complaint.
Provide Accounting	Temporary Restraining Order (Dkt. No. 12 at 4-5)	May 12, 2023	Lawrence has not provided an accounting to the SEC.
Surrender Passport	Temporary Restraining Order (Dkt. No. 12 at 9)	None Specified	Lawrence surrendered his passport on May 12, 2023 (Dkt. No. 25).
Deposition	Temporary Restraining Order (Dkt. No. 12 at 8)	May 10, 2023/ Week of June 5, 2023	Lawrence did not appear at the deposition initially noticed for May 10, 2023, and did not respond to the SEC's request to schedule the deposition during the week of June 5, 2023.
Respond to SEC's Emergency Motion Seeking a Temporary Restraining Order	Temporary Restraining Order (Dkt. No. 10 at 10)	June 10, 2023 (96 hours before preliminary injunction hearing)	Lawrence did not respond to the SEC's Emergency Motion.

In light of Lawrence's failure to comply with several of the deadlines noted above, on May 24, 2023, counsel for the SEC emailed Mr. Lawrence to inform him that he was delinquent in providing the SEC a list of his accounts, an accounting, and responding to written discovery, that the discovery obligations were not contingent on Lawrence obtaining an attorney, and requesting that Lawrence produce all outstanding discovery by May 31, 2023 so the SEC could notice his deposition for the first week of June 2023. Counsel for the SEC also informed Lawrence that expedited discovery would not be necessary if Lawrence was willing to consent to entry of a preliminary injunction and continuation of the asset freeze. Having received no response from Lawrence, on June 2, 2023, counsel for the SEC forwarded the May 24, 2023 email to Lawrence, reminding Lawrence of his unmet discovery obligations, noting that he had

not suggested a date or location for his rescheduled deposition, and informing him that the SEC intended to oppose any effort by Lawrence to introduce evidence at the June 14, 2023 preliminary injunction hearing. Lawrence did not respond to the June 2, 2023 email. A copy of the email chain containing the SEC's May 24, 2023 and June 2, 2023 emails is attached as Exhibit 1.

B. Relief Defendant Brenda M. Bisner

Bisner has retained counsel and has responded to informal discovery requests from the SEC. Bisner's responses include producing documents and information concerning, among other things: (1) money she received from Lawrence during the relevant period; (2) tangible items she received from Lawrence during the relevant period; and (3) the Range Rover Lawrence purchased in March 2023. On June 1, 2023, Bisner provided the SEC with documents showing that she complied with the transfer of funds required by the Court's order modifying the Asset Freeze Order with respect to Bisner. (*See* Dkt. No. 35 ¶ 2.) Bisner has notified the SEC that she does not intend to file an Answer to the SEC's Complaint at this time in an effort to preserve resources.

C. Relief Defendant Justin D. Smith

On May 12, 2023, an attorney entered an appearance for Smith in this case. (Dkt. No. 30.) Smith filed an Answer to the SEC's Complaint on May 25, 2023. (Dkt. No. 36.) In his Answer, Smith consistently invoked his Fifth Amendment right against self-incrimination. (*Id.*) Counsel for Smith has informed the SEC that Smith intends to assert his Fifth Amendment rights in response to any and all discovery and proceedings in this matter.

D. Relief Defendants Landes Prive, Landes KB, and HekYeah

No attorney has entered an appearance on behalf of any of the corporate entities named as Relief Defendants. None of the corporate Relief Defendants have identified or disclosed

accounts where the Relief Defendant has an ownership or beneficial interest, as required by the Asset Freeze Order. (Dkt. No. 13 at 9.) None of the corporate Relief Defendants have filed an Answer or other pleading in response to the Complaint.

Dated: June 12, 2023

Respectfully submitted,

**UNITED STATES SECURITIES
AND EXCHANGE COMMISSION**

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CERTIFICATE OF SERVICE

I certify that on June 12, 2023, I caused a copy of the foregoing Status Report to be served by ECF upon:

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